

LAO GOVERNMENT FORCES ARE FACING HEAVIER RESISTANCE

Government forces last week continued to make some slight progress in trying to advance farther north of the Plaine des Jarres. Enemy resistance has stiffened, however, and there are signs that North Vietnam is dispatching reinforcements into north Laos.

General Vang Pao's weary troops have had only limited success in repeated efforts to secure the high ground north of the Plaine, where substantial numbers of North Vietnamese forces are dug in. In the northwest sector of the Plaine and in the key area

near the Route 7/71 junction, government units have been checked by several small but sharp enemy counterattacks. The government wants to hold this area as long as possible to impede enemy reinforcements from North Vietnam.

On the more positive side, a small government element has advanced to within five miles of Muong Soui, meeting light enemy resistance. Northeast of Khang Khay, government guerrillas occupied a large, abandoned cave complex believed to be the former Pathet Lao headquarters in north Laos. (~~SECRET-NO-FOREIGN-DISSEM~~)

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THAI INSURGENTS SEEK TO IMPROVE THEIR POSITION

Communist guerrilla leaders are striving to strengthen their political base in the villages and to improve the caliber of their guerrilla forces. The insurgents' new tactics appear to be better tailored to meet the problems they face, but they are still unable to mount a significant military campaign against the numerically superior government security forces.

In the key northeast region, guerrilla leaders seem to be making some progress in implementing decisions taken last year to overhaul their village support structures and to tighten security procedures. They have tried to establish more effective supply and information networks in the villages and have concentrated on improving their jungle units by more selective recruiting and better training. To improve their standing with the villagers, the guerrillas are buying rather than confiscating food and are generally playing down terrorism.

Although the insurgents continue to avoid armed clashes, their improved organizational practices could pose a new challenge to Bangkok's counterinsurgency programs. One measure

of the Communists' progress in the northeast will be their ability to establish themselves in villages that have active government programs, rather than in remote areas relatively free of government influence. Thai security officials, apprehensive over still unconfirmed reports of increased infiltration of men and weapons, have taken some remedial steps. Deputy Prime Minister Praphat, for example, has directed army commanders to operate more forcefully against known Communist base areas.

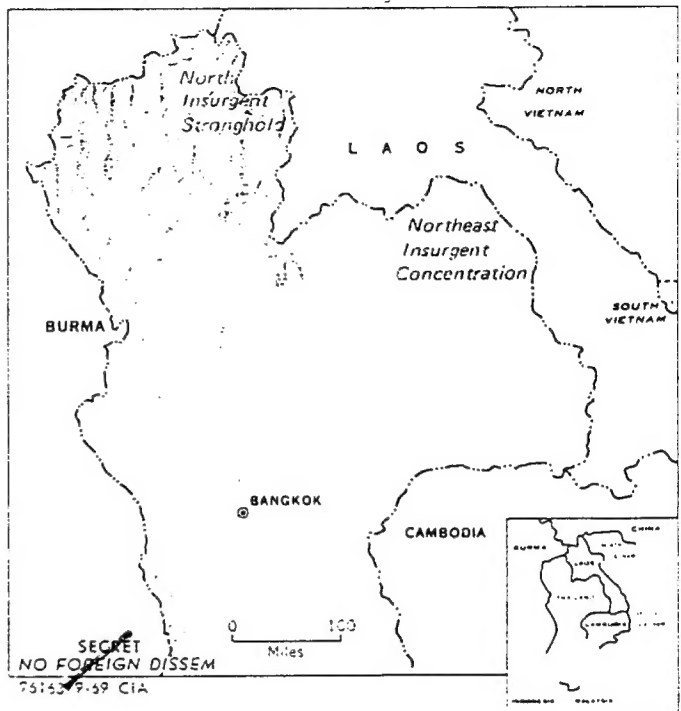
The Communists appear to be having more success in the north and north-central provinces, where tribal guerrillas in some remote areas are virtually unchallenged. Although the evidence is fragmentary, the insurgents seem to be using the current rainy season to stock up on supplies and win recruits among the tribal population. The transfer of additional guerrilla leaders to the north from the northeast indicates the Communists are trying to solve their shortage of trained and dedicated cadre. This has been a major Communist weakness in the north, as in other parts of the country.

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Senior Thai Security officials believe the situation in the north has deteriorated and expect the Communists to try to extend control over the northern border area adjoining Laos during the coming dry season. On the government side the appointment of a new, energetic army commander in the north offers some hope that newly developed programs will be more than window dressing. These programs, which are designed to win the cooperation of the tribespeople while simultaneously protecting the ethnic Thai population in adjacent lowland areas, so far have not been effectively carried out. (~~SECRET NO FOREIGN DISSEM~~)

Laos: Areas of Insurgent Activity



PREPARATIONS FOR CHINA'S NATIONAL DAY PROCEEDING IN LOW KEY

The regime's preoccupation with pressing internal problems has resulted in a subdued approach to the National Day celebrations on 1 October. Peking has set the mood for the rest of the country by discouraging the hoopla that might be expected to accompany the 20th anniversary of the founding of the republic.

In part, the restrained mood stems from the fact that only a fragile tranquility has been imposed inside China.

Peking probably does not want to jeopardize the newly imposed order by staging major rallies in Peking and provincial capitals, events which by their very nature

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bring crowds into the streets and tend to raise emotions.

Diplomatic sources report that Peking intends to keep this year's celebrations a "family affair," with few invited foreign guests.

Provincial radiobroadcasts have taken Peking's cue and are urging restraint in celebration planning. A recent Anhwei broadcast, for example, stated that National Day should be observed in a "down-to-earth" manner and that unnecessary expenditures should be avoided.

National Day traditionally has been the occasion for a major leadership turnout. Rumors that Mao is incapacitated have become widespread lately, and he has not appeared in public since 19 May. Mao has been absent for long periods before, however, and has reappeared each time to confound speculation about his health. He has never missed a National

Day celebration, and a failure to show up this time would give substance to reports that he is seriously ill. The Chinese, in trying to counter such rumors, have been publicizing recent decisions they say were made by Mao.

Despite the low-key approach to the celebrations, Peking will undoubtedly exploit the occasion for its maximum propaganda value to help promote the commonly heard themes of national unity and preparedness against war. The regime has taken the unusual step of releasing separately 29 National Day slogans, giving particular emphasis to those slogans concerned with war preparations. This probably reflects Peking's growing concern over the possibility of expanded conflicts with the Soviet Union and also serves to dramatize for the population the seriousness of the current war preparations drive and the need to economize and increase production. (~~SECRET NO FOREIGN DISSEM~~)

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